

1 MATTHEW R. MCCARLEY (TX SBN: 24041426)  
2 mccarley@fnlawfirm.com

3 **FEARS NACHAWATI, PLLC**  
4 5473 Blair Road  
Dallas, Texas 75231  
Telephone: (214) 890-0711  
Facsimile: (214) 890-0712

5  
6 GALE D. PEARSON, Esq. (MN BAR NO.: 244673)  
gpearson@fnlawfirm.com

7 **FEARS NACHAWATI, PLLC**  
8 5473 Blair Road  
Dallas, Texas 75231  
Telephone: (214) 890-0711  
Facsimile: (214) 890-0712

9  
10 *Attorneys for Plaintiff*

11  
12 **UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**

13 IN RE: Juul Labs, Inc., Marketing, Sales ) MDL No. 2913  
14 Practices, and Products Liability Litigation )  
15 JENNIFER WILLIAMS, ) Case No.: 3:19-cv-08273  
16 Plaintiff, )  
17 vs. )  
18 JUUL LABS, INC., PAX LABS, INC., ALTRIA )  
19 GROUP, INC., and PHILIP MORRIS USA, )  
20 INC., )  
21 Defendants. )  
22 )  
23 )  
24 )  
25 )  
26 )  
27 )  
28 )

23  
24 Plaintiff, Jennifer Williams, by and through her undersigned counsel, brings this complaint  
25 against Defendants JUUL Labs, Inc., PAX Labs, Inc., Altria Group, Inc., and Philip Morris USA,

1 Inc., and alleges as follows:

2 **I. INTRODUCTION**

3 1. JUUL sells e-cigarettes and nicotine pods specifically designed both to provide a  
4 powerful hit of nicotine and to addict users. For the reasons set forth below, Plaintiff brings this  
5 complaint for damages, injunctive relief, and any other available legal or equitable relief to remedy  
6 the harms to Plaintiff resulting from JUUL's false, fraudulent, misleading, and negligent  
7 marketing and sales practices for its highly addictive JUUL products.

8 2. Since 2015, JUUL has manufactured, marketed, and sold the JUUL e-cigarette and  
9 accompanying JUULpod nicotine cartridges. JUUL has marketed and sold JUULpods, all of  
10 which contain JUUL's proprietary, highly addictive nicotine e-liquid formula.

11 3. Since entering the market, JUUL's sleek and easily concealable e-cigarette and its  
12 aggressive social media marketing campaign have propelled JUUL to a dominant position in the  
13 e-cigarette market. JUUL now controls more than three-quarters of the United States e-cigarette  
14 market. JUUL's marketing did not just take over a large slice of the e-cigarette market, it also  
15 drove significant market expansion. Industry analysts have credited JUUL as singlehandedly  
16 reviving the e-cigarette market, whose sales had been stagnating for years.

17 4. JUUL's explosive growth, was entirely by design. JUUL's founders met and  
18 began forming their vision for JUUL while pursuing master's degrees in product design at  
19 Stanford. The founders set out to design a product that would "take tobacco back to being a  
20 luxury good and not so much a drug delivery device." To do so, JUUL designed an extra sleek,  
21 futuristic-looking and concealable e-cigarette and developed a mechanism to provide the highest  
22 dose of nicotine of any e-cigarette without the throat irritation that high levels of nicotine  
23 typically cause.

24 5. To market its nicotine products, JUUL's founders turned to the tried and true  
25 tobacco industry playbook: JUUL significantly underplayed the dangers of its product, even

1 though it was one of the most potent e-cigarette products available when it launched. Packed  
2 inside each JUUL pod, which measures a mere 29.5 x 15 x 7 mm (about the size of a thumbnail),  
3 is a potent .7 milliliters of e-liquid that contains at least 5% nicotine by weight, or more than 6%  
4 nicotine by volume. The small JUUL pod delivers as much nicotine as two full packs of  
5 traditional combustible cigarettes. Coupled with JUUL's e-cigarette technology, JUUL's  
6 nicotine e- liquid is also more dangerous and addictive than other e- cigarettes on the market:  
7 JUUL delivers nicotine up to 2.7 times faster than other e-cigarettes, and its e-liquid nicotine  
8 levels were as much as 20 times more potent than other e-cigarette products on the market in  
9 2017. Moreover, JUUL specially designed its e-cigarette device and e- liquid formula to  
10 minimize the harshness of nicotine on the throat, allowing even new, non- smoker users to inhale  
11 large doses of nicotine without the immediate discomfort that such high doses of nicotine would  
12 generally cause.

13 6. JUUL said nothing about any of the myriad problems likely to occur from the use  
14 of its products when it launched its products. These dangers include long-term nicotine  
15 addiction; increased risk of heart disease and stroke; changes in brain functionality that lead to  
16 increased susceptibility to anxiety, depression and other addictions; decreased functionality of  
17 the endocrine system; and heightened risk of cancer.

18 7. In 2018, after the FDA opened an investigation into JUUL's youth-targeted  
19 marketing, JUUL removed from its website and much of the internet the targeted images that  
20 were designed to appeal to youth and now suggests that JUUL exists solely for the benefit of  
21 adult smokers looking for an alternative. Although JUUL markets its product as a smoking  
22 cessation device ("Switch to JUUL"), it has not received FDA approval as modified risk tobacco  
23 product or as a nicotine replacement therapy, and the JUUL e-cigarette has not participated in  
24 any FDA approval process. JUUL's e- cigarettes are still as addictive, if not more so than regular  
25 cigarettes. JUUL e- cigarettes and pods can be ordered with a subscription service on JUUL's

1 website and all the while JUUL continues to hide the truth about the actual nicotine content and  
 2 addictiveness of its devices. Plaintiff brings this suit to shine a light on JUUL's deceptive  
 3 marketing and social media practices and stunningly addictive product, seek damages for those  
 4 already harmed by it, and enjoin JUUL from continuing to endanger people like her.

5       8. At the time Plaintiff used JUUL, none of JUUL's advertising, marketing,  
 6 promotion, packaging or website disclosed any of the health effects and risks that JUUL knew or  
 7 should have known would occur from use of its products. These risks include severe nicotine  
 8 addiction, significant increases in blood pressure, vascular damage, increased risk of stroke, heart  
 9 attacks and other cardiovascular injuries, permanent brain changes, mood disorders, heightened  
 10 risk of cancer, and other harms. JUUL never disclosed that its products were unsafe for anyone.  
 11 Instead, the imaging, advertising, promotion, packaging and overall marketing represented the  
 12 product as safe, fun, and not harmful. As one of the JUUL founders has said: "We don't think a  
 13 lot about addiction here because we're not trying to design a cessation product at all...anything  
 14 about health is not on our mind". JUUL's design, manufacturing, marketing and distribution of  
 15 this product has proven this statement to be true.

16       9. Since 2015 when JUUL hit the market, JUUL has become pervasive in schools  
 17 across the country and adolescent use is rampant. JUUL not only dominates the multi-billion dollar  
 18 e-cigarette market, it has expanded the size of that market significantly—mostly via young non-  
 19 smokers. The tobacco company Defendant Altria (formerly known as Philip Morris, also a  
 20 Defendant) acquired a 35% stake in JUUL for \$12.8 billion, giving Defendant Altria access to the  
 21 new generation of customers JUUL has groomed.

22       10. JUUL has created an epidemic. According to Alex Azar, the Secretary of the U.S.  
 23 Department of Health and Human Services, "We have never seen use of any substance by  
 24 America's young people rise as rapidly as e-cigarette use is rising." JUUL's conduct has led to a  
 25 surge in teen e-cigarette use, creating the "largest ever recorded [increase in substance abuse] in

1 the past 43 years for any adolescent substance use outcome in the U.S.” In a mere two years,  
2 Defendant undid more than a decade of progress in reducing teen smoking, thereby increasing  
3 nicotine use among teenagers to levels not seen since the early 2000s. Plaintiff was both a target  
4 and a victim of JUUL’s conduct.

5 11. As a result of Defendant’s conduct, Plaintiff has suffered life-altering personal  
6 injuries and seeks all appropriate remedies and relief.

7 **II. JURISDICTION AND VENUE**

8 13. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §1332 based on  
9 diversity of citizenship of the parties and the amount in controversy exceeding \$75,000.

10 14. This Court has personal jurisdiction over Defendants based on the fact that Defendants  
11 have their principal place of business within the state of California and that Defendants market and  
12 distribute JUUL e-cigarettes throughout the state.

13 15. Venue is proper in the Northern District of California pursuant to 28 U.S.C.  
14 §1331(b)(2) in that a substantial part of the events giving rise to the claim occurred in this district.  
15 Additionally, venue is proper pursuant to Transfer Order, Doc. 1, docket number 3:19-md-02913-  
16 WHO, from the Judicial Panel on Multi-District Litigation establishing the Northern District of  
17 California as the Court overseeing multi-district litigation on all claims involving JUUL e-cigarettes.

18 **III. PARTIES**

19 **A. Plaintiffs**

20 16. Plaintiff Jennifer Williams (“Williams”) resides in Spartanburg, South Carolina,  
21 and resided there throughout the relevant period for the events described below.

22 17. Prior to using a JUUL for the first time in 2019, Williams smoked cigarettes on a  
23 daily basis.

24 18. Williams began using JUUL because it was advertised as a safe and healthy  
25 alternative to smoking. Williams did not know that JUUL contains nicotine, delivering nicotine to

1 the bloodstream at least as efficiently as cigarettes, and presents the same or a greater risk of  
2 addiction than smoking cigarettes.

3 19. Williams still struggles with this nicotine addiction and will continue to struggle  
4 with this addiction for the rest of her life. Williams's nicotine addiction from JUUL permanently  
5 injured and altered her brain. In addition to her severe nicotine addiction and brain injury,  
6 Williams has suffered harm through exposure to significant toxic substances, which may cause or  
7 contribute to causing disease and future health problems.

8 20. Defendants' conduct has harmed Jennifer Williams physically, emotionally, and  
9 financially.

10 **B. Defendants**

11 21. Defendant JUUL Labs, Inc. ("JUUL") is a Delaware corporation, having its  
12 principal place of business in San Francisco, California. JUUL originally operated under the name  
13 PAX Labs, Inc. In 2017, it was renamed JUUL Labs, Inc. JUUL manufactures, designs, sells,  
14 markets, promotes and distributes JUUL e-cigarettes. JUUL ratified each and every act or  
15 omission alleged herein in proximately causing the injuries and damages alleged herein.

16 22. Defendant PAX Labs, Inc. ("PAX"), is a Delaware Corporation, having its principal  
17 place of business in San Francisco, California. JUUL Labs, Inc. was originally a part of PAX, but  
18 was spun out as a separate company in 2017. A substantial portion of the conduct cited here  
19 occurred while JUUL was part of PAX.

20 23. Defendant Altria Group, Inc. ("Altria"), is incorporated in Virginia and has its  
21 principal place of business in Richmond, Virginia. Altria has partnered with JUUL Labs, Inc.

22 24. Defendant Philip Morris USA, Inc. (Philip Morris), is a wholly-owned subsidiary  
23 of Altria. Philip Morris is also a Virginia corporation that has its principal place of business in  
24 Richmond, Virginia. Philip Morris is engaged in the manufacture and sale of e-cigarettes in the  
25 United States. Philip Morris is the largest cigarette company in the United States. Marlboro, the

1 principal cigarette brand of Philip Morris, has been the largest selling cigarette brand in the United  
2 States for over 40 years.

3 25. Altria and Philip Morris are referred to collectively as the Altria Defendants. In  
4 2018, Altria acquired 35% ownership in JUUL for \$12.8 billion and access to Altria's industry  
5 infrastructure.

6 **IV. FACTUAL ALLEGATIONS**

7 **A. JUUL Sought to Re-create the “Magic” of the Cigarette, the “Most Successful  
8 Consumer Product of All Time”, using the Cigarette Industry’s Playbook.**

9 26. JUUL’s founder James Monsees has described the cigarette as “the most successful  
10 consumer product of all time...an amazing product.” Because of “some problems” inherent in the  
11 cigarette, JUUL’s founders set out to “deliver[] solutions that refresh the magic and luxury of the  
12 tobacco category.”

13 27. Monsees saw “a huge opportunity for products that speak directly to those  
14 consumers who aren’t perfectly aligned with traditional tobacco products.” With a focus on  
15 recreating the “ritual and elegance that smoking once exemplified,” Monsees and Adam Bowen  
16 set out to “meet the needs of people who want to enjoy tobacco but don’t self-identify with — or  
17 don’t necessarily want to be associated with — cigarettes.”

18 28. JUUL used the cigarette industry’s prior practices as a playbook. Monsees has  
19 publicly admitted that JUUL built its e-cigarette business by first consulting cigarette industry  
20 documents, including board meeting minutes, made public under the Master Settlement  
21 Agreement that had been reached between the cigarette industry, governmental officials, and  
22 injured smokers. “[Industry documents] became a very intriguing space for us to investigate  
23 because we had so much information that you wouldn’t normally be able to get in most industries.  
24 And we were able to catch up, right, to a huge, huge industry in no time. And then we started  
25 building prototypes.”

1       29.    JUUL researched how cigarette companies had chemically manipulated nicotine  
 2 content to maximize delivery: “We started looking at patent literature. We are pretty fluent in  
 3 ‘Patentes.’ And we were able to deduce what had happened historically in the tobacco industry.”  
 4 Among the documents JUUL would have found were those documenting how to manipulate  
 5 nicotine pH to maximize the delivery of nicotine in a youth-friendly vapor that delivers minimal  
 6 “throat hit”—a combination that creates unprecedented risks of nicotine abuse and addiction, as  
 7 detailed further below.

8       30.    JUUL also engaged former cigarette industry researchers to consult on the design  
 9 of their product. JUUL’s founder James Monsees noted in Wired magazine that “people who  
 10 understood the science and were listed on previous patents from tobacco companies aren’t at those  
 11 companies anymore. If you go to Altria’s R&D facility, it’s empty.” The Wired article stated that  
 12 “some of those people are now on Pax’s team of advisers, helping develop Juul.”

13       31.    JUUL also used cigarette industry advertisements—which were created to lure  
 14 nonsmoking youth—as a blueprint for JUUL’s advertising campaigns. In a 2018 interview,  
 15 “Monsees indicated that the design of JUUL’s advertising had been informed by traditional  
 16 tobacco advertisements and that [the Stanford Research into Impact of Tobacco Advertising] had  
 17 been quite useful to them.”

18       32.    JUUL achieved its vision. Since its launch in 2015, JUUL has become the dominant  
 19 e-cigarette manufacturer in the United States. Its revenues grew by 700% in 2017. According to a  
 20 recent Wells-Fargo report, JUUL owns three-quarters of the e-cigarette market.

21 **B.       JUUL is a Sleek, Easy to Conceal Nicotine Delivery Device That Can Be Used Almost  
 22 Anywhere.**

23       33.    The JUUL e-cigarette looks sleek and high-tech. JUUL looks like a USB flash drive,  
 24 and it actually charges in a computer’s USB drive. It is about the size and shape of a pack of  
 25 chewing gum; it is small enough to fit in a closed hand. JUUL is easy to conceal from parents and  
 26 teachers. The odor emitted from JUUL is a reduced aerosol without much scent – unlike the

distinct smell of conventional cigarettes.

34. The thin, rectangular JUUL e-cigarette device consists of an aluminum shell, a battery, a magnet (for the USB-charger), a circuit board, an LED light, and a pressure sensor. Each JUULpod is a plastic enclosure containing 0.7 milliliters of JUUL's patented nicotine liquid and a coil heater. When a sensor in the JUUL e-cigarette detects the movement of air caused by suction on the JUULpod, the battery in the JUUL device activates the heating element, which in turn converts the nicotine solution in the JUULpod into a vapor consisting principally of nicotine, benzoic acid, glycerin, and propylene glycol. A light embedded in the JUUL device serves as a battery level indicator and lights up in a "party mode" display of rainbow of colors when the device is waved around.



35. JUUL manufactures and distributes its nicotine formulation as JUULpods, which contain JUUL's nicotine liquid. JUUL exclusively sells its pods in four-packs, in a variety of flavors, many of which have no combustible cigarette analog, including mango, "cool" cucumber, fruit medley, "cool" mint, and crème brûlée. According to a recent survey of more than 1,000 12 to 17 year-olds, 6.5% admitted to using a JUUL e-cigarette. Of those, 86% of users most recently used fruit medley, mango, cool mint, or crème brûlée.



36. The physical design of the JUUL device (including its circuit board) and JUULpod determines the amount of aerosolized nicotine the JUUL emits. By altering the temperature, maximum puff duration, or airflow, among other things, Defendant can finely tune the amount of nicotine vapor the JUUL delivers.

**C. E-Cigarettes Containing Nicotine are Addictive, Increase the Risk of Health Concerns**

37. All leading health authorities support the three major conclusions of a 1988 report by the Surgeon General of the United States regarding nicotine and tobacco:

- 20 a. Cigarettes and other forms of tobacco are addictive;
- 21 b. Nicotine is the drug in tobacco that causes addiction;
- 22 c. The physiological and behavioral processes that determine tobacco addiction are similar to those that determine heroin and cocaine addiction.

38. Nicotine fosters addiction through the brain's "reward" pathway. A stimulant and

1 a relaxant, nicotine affects the central nervous system; increases in blood pressure, pulse, and  
2 metabolic rate; constricts blood vessels of the heart and skin, and causes muscle relaxation. When  
3 nicotine is inhaled it enters the bloodstream through membranes in the mouth and upper respiratory  
4 tract and through the lungs. Once nicotine in the bloodstream reaches the brain, it binds to  
5 receptors, triggering a series of physiologic effects in the user that are perceived as a “buzz” that  
6 includes pleasure, happiness, arousal, and relaxation of stress and anxiety. These effects are caused  
7 by the release of dopamine, acetylcholine, epinephrine, norepinephrine, vasopressin, serotonin,  
8 and beta endorphin. With regular nicotine use, however, these feelings diminish and the user must  
9 consume increasing amounts of nicotine to achieve the same pleasurable effects.

10 39. The neurological changes caused by nicotine create addiction. Repeated exposure  
11 to nicotine causes neurons in the brain to adapt to the action of the drug and return brain function  
12 to normal. This process, called neuroadaptation, leads to the development of tolerance in which a  
13 given level of nicotine begins to have less of an effect on the user.

14 40. Once a brain is addicted to nicotine, the absence of nicotine causes compulsive  
15 drug-seeking behavior, which, if not satisfied, results in withdrawal symptoms including  
16 anxiety, tension, depression, irritability, difficulty in concentrating, disorientation, increased  
17 eating, restlessness, headaches, sweating, insomnia, heart palpitations and tremors – and  
18 intense cravings for nicotine. Though smokers commonly report pleasure and reduced anger,  
19 tension, depression and stress after smoking a cigarette, many of these effects are actually due  
20 to the relief of unpleasant withdrawal symptoms that occur when a person stops smoking and  
21 deprives the brain and body of nicotine. Studies have found that most smokers do not like  
22 smoking most of the time but do so to avoid withdrawal symptoms.

23 41. Nicotine causes permanent brain changes. The effects of nicotine exposure on the  
24 brain of youth and young adults include addiction, priming for use of other addictive substances,  
25 reduced impulse control, deficits in attention and cognition, and mood disorders.

1       42. Nicotine is also associated with cardiovascular, reproductive, and  
 2 immunosuppressive problems, and is also a carcinogen. Nicotine adversely affects the heart,  
 3 eyes, reproductive system, lung, and kidneys. It is well-established that nicotine increases blood  
 4 pressure. Exposure to nicotine from sources such as nicotine gum still produces an increased  
 5 risk of Coronary Vascular Disease by producing acute myocardial ischemia, as well as an  
 6 increased risk of peripheral arterial disorders. Aside from its use as a stimulant, the only other  
 7 known use of nicotine is as an insecticide.

8       43. Several studies have shown that e-cigarettes increase the risk of strokes and heart  
 9 attacks.

10      44. Research has also demonstrated that e-cigarettes significantly increase blood  
 11 pressure and arterial stiffness, which increases the risk for strokes and heart attacks.

12      45. Further, scientists have found that e-cigarettes also cause oxidative stress, which  
 13 leads to vascular disease and damage, known risk factors for strokes.

14      46. With respect to JUUL in particular, a recent study found that “the concentrations of  
 15 nicotine and some flavor chemicals (e.g. ethyl maltol) are high enough to be cytotoxic in acute in  
 16 vitro assays”.

17      47. Nicotine affects neurological development in adolescents, and exposure to nicotine  
 18 during adolescence produces an increased vulnerability to nicotine addiction. Adolescent nicotine  
 19 addiction causes “substantial neural remodeling” including those parts of the brain governed by  
 20 dopamine or acetylcholine, which play central roles in reward functioning and cognitive function,  
 21 including executive function mediated by the prefrontal cortex. A “clear-cut relationship” between  
 22 adolescent smokers and diminished neural responses has been observed such that addicts exhibit  
 23 diminished sensitivity to non-drug rewards (e.g., financial rewards). This relationship becomes  
 24 even more severe in adolescents who smoke more than 5 cigarettes a day. In sum, “the use of  
 25 extremely rewarding drugs, such as nicotine, may decrease the pleasure obtained from non-drug

1 rewards.” These changes occur in “early phases of smoking.”

2 48. Other brain changes from nicotine include increased sensitivity to other drugs and  
 3 heightened impulsivity. “Brain imaging on adolescents suggest that those who begin smoking  
 4 regularly at a young age have markedly reduced activity in the prefrontal cortex and perform less  
 5 well on tasks related to memory and attention compared to people who don’t smoke.”

6 **D. JUUL Designed its E-Cigarettes to Make them Easy for People to Inhale and to  
 7 Deliver Substantially Higher Doses of Nicotine than Cigarettes.**

8 49. According to the National Institutes of Health, the “amount and speed of nicotine  
 9 delivery . . . plays a critical role in the potential for abuse of tobacco products.” The cigarette  
 10 industry has long known that “nicotine is the addicting agent in cigarettes” and that “nicotine  
 11 satisfaction is the dominant desire” of nicotine addicts.

12 50. For this reason, cigarette companies spent decades manipulating nicotine in order  
 13 to foster and maintain addiction in their customers. For example, R.J. Reynolds Tobacco Company  
 14 (“RJR”) developed and patented nicotine salt additives such as nicotine benzoate to increase  
 15 nicotine delivery in cigarette smoke. As detailed in an RJR memorandum titled “Cigarette concept  
 16 to assure RJR a larger segment of the youth market,” manipulating the pH of nicotine was expected  
 17 to give cigarettes an “additional nicotine ‘kick’.” This kick was attributed to increased nicotine  
 18 absorption associated with lower pH.

19 51. JUUL knowingly used the RJR research and conclusions to produce a similar  
 20 nicotine kick, and thereby promoting increased use and sales of JUUL e-cigarettes. In U.S. patent  
 21 No. 9,215,895 (“the ‘895 patent”), assigned to “Pax Labs, Inc.” and listing JUUL executive  
 22 Adam Bowen as an inventor, JUUL describes a process for combining benzoic acids with  
 23 nicotine to produce nicotine salts, a formulation that mimics the nicotine salt additive developed  
 24 by RJR decades earlier.

25 52. In a 2015 interview, Ari Atkins, a JUUL research & development engineer and one

1 of the inventors of the JUUL device said this about the role of acids: “In the tobacco plant, there  
 2 are these organic acids that naturally occur. And they help stabilize the nicotine in such a way that  
 3 makes it . . .” He pauses. “I’ve got to choose the words carefully here: Appropriate for inhalation.”

4 53. JUUL’s manipulation of nicotine pH directly affects the palatability of nicotine  
 5 inhalation by reducing the “throat hit” users experience when vaping. Benzoic acid reduces the  
 6 pH of solutions of nicotine, an alkali with a pH of 8.0 in its unadulterated, freebase form. This  
 7 reduction in pH converts naturally-occurring unprotonated nicotine, which causes irritation in  
 8 the throat and respiratory tract, to protonated nicotine, which is not be absorbed in the throat or  
 9 upper respiratory tract and, therefore, does not irritate the throat. A recent study found that  
 10 JUUL’s e-liquid had a pH of under 6.0, suggesting that the JUUL contains almost no freebase  
 11 (i.e., non-salt form) nicotine.

12 54. The vapor from JUUL’s e-liquid contains about the same ratio of free-base  
 13 nicotine—and hence causes the same amount of irritation—as a nearly nicotine-free 3 mg/mL  
 14 e- liquid.

15 55. The same chart further shows that the Duell Study authors found that the low  
 16 freebase fraction in its aerosols suggested a “decrease in the perceived harshness of the aerosol  
 17 to the user and thus a greater abuse liability.”

18 56. The authors noted that “tobacco company documents suggest that products [like  
 19 JUUL] with high nicotine levels but a low [percentage of freebase nicotine] will yield vape  
 20 aerosols of much reduced harshness as compared to products with even only moderate nicotine  
 21 levels” but high percentages of freebase nicotine.

23 57. JUUL’s creation of a product with low levels of harshness and minimal throat  
 24 “hit” is consistent with the goal of producing a product for young non-smokers. The non-  
 25 irritating vapor product is easier for non-smokers to consume without negative side effects like

1 coughing or irritation. The design also shows that JUUL's intention was to recruit nonsmokers,  
 2 not existing smoker, because smokers are already tolerant of the throat hit and have even been  
 3 habituated into associating the "throat hit" with getting their nicotine fix. Minimizing the throat  
 4 "hit" of JUUL e-cigarettes is therefore unnecessary to providing an alternative for adult  
 5 smokers, but is crucial to luring a new generation of users.

6       58. The Duell study concluded that JUUL's use of nicotine salts "may well  
 7 contribute to the current use prevalence of JUUL products among youth."

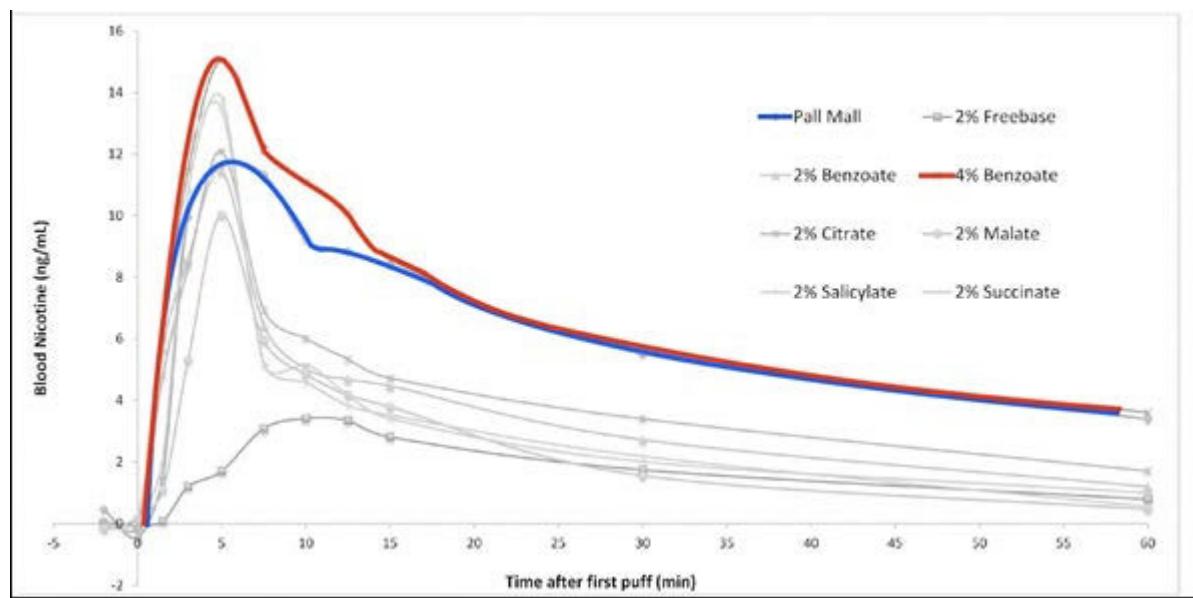
8       59. JUUL's lack of throat hit increases the risk of using the product, because it masks  
 9 the amount of nicotine being delivered, by eliminating the throat sensory feedback normally  
 10 associated with a large dose of nicotine. The "throat hit" is part of the body's alert system, letting  
 11 a person know he is inhaling something harmful. Eventually, the irritation to the throat will  
 12 cause even the most compulsive addict to wait before the next inhalation. Reducing or removing  
 13 this feedback impairs the user's ability to ascertain that he is consuming a toxin. As a result, the  
 14 cravings for nicotine can be satisfied nonstop, fostering addiction or aggravating an existing  
 15 addiction, and repeatedly exposing the user to the health risks associated with the product, such  
 16 as significantly increased blood pressure.

17       60. JUUL sells products that contain relatively low amounts of throat-irritating  
 18 freebase nicotine, yet contain and deliver far higher concentrations of nicotine than cigarettes  
 19 or other electronic nicotine delivery systems ("ENDS") containing freebase nicotine.

21       61. Blood plasma studies in the '895 patent show that vaping nicotine benzoate  
 22 increases nicotine delivery compared to cigarettes or vaporized solutions of freebase nicotine. In  
 23 fact, nicotine uptake was up to four times higher for nicotine salt formulations than traditional  
 24 cigarettes (approximately 4 ng/mL/min compared to approximately 1 ng/mL/min). JUUL's data  
 25 also indicates that nicotine salt solutions produce a higher heart rate in a shorter amount of time (a

1 50 beats/minute increase within 2 minutes for nicotine salt, versus a 40 beats/minute increase in  
 2 2.5 minutes for a Pall Mall cigarette). Nicotine salts also cause a faster and more significant rise  
 3 in heart rate than placebo or vaporized freebase nicotine.

4 62. The following figure from the '895 patent shows that a 4% solution of benzoic  
 5 acid and nicotine salt, which is the formula used in JUULpods, causes a peak nicotine-blood  
 6 concentration ("Cmax") of approximately of approximately 15 ng/mL, compared to a Cmax of  
 7 11 ng/mL for a Pall Mall cigarette. (To make the figure more readable, JUUL's 4% nicotine  
 8 benzoate data is highlighted in red, and the Pall Mall data is highlighted in ~~blue~~ blue.)



19 63. JUUL's '895 patent shows that a 4% solution of benzoic acid nicotine salt causes a  
 20 peak nicotine-blood concentration ("Cmax") of approximately 15 ng/mL, compared to a Cmax of  
 21 11 ng/mL for a Pall Mall cigarette.

22 64. As high as the reported nicotine dose reported for JUULpods is, the actual dose is  
 23 likely higher. Though the strongest benzoic acid concentration mentioned in the '895 patent is 4%  
 24 (i.e., 40 mg/mL of benzoic acid), one study tested four flavors of JUULpods and found a 4.5%  
 25 benzoic acid ( $44.8 \pm 0.6$ ) solution. That study found that JUULpods contained a concentration of

1 6.2% nicotine salt (about 60 mg/mL), rather than the 5% nicotine (about 50 mg/mL) advertised.  
2 JUULpods containing an absolute nicotine concentration 1.2% higher than the stated 5% on the  
3 label (a relative increase of over 20%) coupled with more benzoic acid than listed in the '895  
4 patent produce higher nicotine absorption than expected for the advertised formulation.

5 65. Other studies have reported even higher actual concentrations of nicotine in  
6 JUULpods. Some experts estimate that JUULpods contain the same nicotine as two packs of  
7 cigarettes.

8 66. In any event, JUUL is delivering doses of nicotine that are materially higher than  
9 delivered by combustible cigarettes. As a paper published by the European Union citing the United  
10 Kingdom Medicines and Healthcare Products Regulatory Agency notes, "an e-cigarette with a  
11 concentration of 20 mg/ml delivers approximately 1 milligram of nicotine in 5 minutes (the time  
12 needed to smoke a traditional cigarette, for which the maximum allowable delivery is 1 mg of  
13 nicotine)." With at least 59 mg/mL of nicotine delivered in a salt form that increases the rate and  
14 efficiency of uptake (and even with a lower mg/mL amount), a JUULpod will easily exceed the  
15 nicotine dose of a traditional cigarette. Not surprisingly, the European Union has banned all e-  
16 cigarette products with a nicotine concentration of more than 20 mg/ml nicotine, and Israel is  
17 seeking to do the same. As Israel's Deputy Health Minister has noted, "a product that contains a  
18 concentration of nicotine that is almost three times the level permitted in the European Union  
19 constitutes a danger to public health and justifies immediate and authoritative steps to prevent it  
20 from entering the Israeli market."

21 67. Comparison of available data regarding per puff nicotine intake corroborates the  
22 other JUUL studies (mentioned above), indicating that JUUL delivers about 30% more nicotine  
23 per puff. Specifically, a recent study of JUULpods found that "[t]he nicotine levels delivered by  
24 the JUUL are similar to or even higher than those delivered by cigarettes." The Reilly study tested  
25 JUUL's Tobacco, Crème Brulee, Fruit Punch, and Mint flavors and found that a puff of JUUL

1 delivered  $164 \pm 41$  micrograms of nicotine per puff. By comparison, a 2014 study using larger 100  
 2 mL puffs found that a Marlboro cigarette delivered 152—193  $\mu\text{g}/\text{puff}$ . Correcting to account for  
 3 the different puff sizes between the Reilly and Schroeder studies, this suggests that, at 75ml/puff,  
 4 a Marlboro would deliver between 114 and 144  $\mu\text{g}/\text{puff}$ . In other words, empirical data suggests  
 5 that JUUL delivers up to 36% more nicotine per puff than a Marlboro.

6 68. Because “nicotine yield is strongly correlated with tobacco consumption,” a  
 7 JUULpod with more nicotine will strongly correlate with higher rates of consumption of  
 8 JUULpods, generating more revenue for JUUL. For example, a historic cigarette industry study  
 9 looking at smoker employees found that “the number of cigarettes the employees smoked per day  
 10 was directly correlated to the nicotine levels.” In other words, the more nicotine in the cigarettes,  
 11 the more cigarettes a person smoked.

12 69. Despite the above data, Defendant has failed to disclose to consumers that the  
 13 JUULpods’ nicotine salt formulation delivers an exceptionally potent dose of nicotine.

14 70. By delivering such potent doses of nicotine, JUUL products magnify the health  
 15 risks posed by nicotine, significantly increase blood pressure, and place users at heightened risk  
 16 for stroke, heart attacks and other cardiovascular events.

17 71. Further, because JUUL’s nicotine salts actually increase the rate and magnitude of  
 18 blood plasma nicotine compared to traditional cigarettes, the risk of nicotine addiction and abuse  
 19 is higher for JUUL e-cigarettes than traditional cigarettes. Thus, JUULpods are foreseeably  
 20 exceptionally addictive when used by persons without prior exposure to nicotine—a fact not  
 21 disclosed by Defendant.

22 72. At the same time, as discussed above, the throat “hit” from nicotine salts is much  
 23 lower than that for combustible tobacco products, making it easier to inhale. According to  
 24 researchers, the “high total nicotine level (addictive delivery)” of a JUUL coupled with its easily  
 25 inhalable nicotine vapor is “likely to be particularly problematic for public health.”

73. This powerful combination—highly addictive and easy to inhale—also repeatedly exposes users to the toxic chemicals in the vapor, compounding the health risks to users, as described above.

74. In addition to its nicotine content, the “Cool” Mint pods pose additional risks. The FDA’s Tobacco Products Scientific Advisory Committee in March 2011 issued a report on menthol cigarettes, concluding that the minty additive was not just a flavoring agent but had drug-like effects, including “cooling and anesthetic effects that reduce the harshness of cigarette smoke.” Mint could also “facilitate deeper and more prolonged inhalation,” resulting in “greater smoke intake per cigarette.”

75. JUUL has fraudulently concealed material information about the addictive and dangerous nature of its e-cigarettes. Defendant necessarily is in possession of all of this information.

**E. JUUL Conspired with Others in the Cigarette Industry to Engage Third-Party Spokespersons to Downplay the Risks of E-cigarettes, Create Doubt, and Misrepresent the Benefits of Nicotine.**

76. Because JUUL understood that it could not specifically make health-related claims without drawing the ire of the FDA, JUUL conspired with others in the cigarette industry to engage consultants, academics, reporters, and other friendly sources such as the American Enterprise Institute, to serve as spokespersons and cheerleaders for e-cigarette products. Taking yet another page from the cigarette-industry playbook, these influencers masked their connection to the e-cigarette industry, while serving as its mouthpiece to cast doubt about risks and overstate benefits.

77. For example, just as JUUL launched, cigarette company expert witness Sally Satel published an article in Forbes Magazine touting the benefits of nicotine—claiming it aids in concentration—and stating that it is harmless. In another article, she lauded efforts by JUUL and others to develop nicotine-related products, and cast any doubters as hysterical and creating a “panic”.

1       78. Numerous other articles, videos, and podcasts—also spread through social media—  
 2 echoed this same message that the public health community was overreacting to e-cigarettes and  
 3 in a panic about nothing.

4       79. During each of its multiple fundraising rounds, JUUL assured potential investors  
 5 that “addiction to something that is not harmful”, suggesting that JUUL was no more harmful than  
 6 coffee.

7       80. On information and belief, JUUL and its co-conspirators spread this message  
 8 through hired third-party spokespersons and influencers.

9       81. Furthering their campaign of doubt and confusion, when asked directly about health  
 10 risks, JUUL’s employees and founders would point reporters to other sources to indicate that its  
 11 products had been shown to be safe, or not harmful, rather than admit what it knew were the  
 12 dangers.

13       82. JUUL well-understood from the cigarette industry playbook that sowing doubt and  
 14 confusion over the benefits and risks of e-cigarettes is key to long-term success. First, by creating  
 15 a “two-sides-to-every-story” narrative, JUUL reduced the barriers for young people and new users  
 16 to try the product, and gave addicted users permission to keep using the product and avoid the pain  
 17 of withdrawal. Second, by engaging people who looked like independent experts, JUUL staved  
 18 off regulation and suppressed political opposition, allowing it a long runway to capture market  
 19 share. Third, by belittling the public health community, JUUL neutered its most vocal threat.

20       83. On information and belief, JUUL conspired with others in the cigarette industry to  
 21 fraudulently conceal the risks of e-cigarettes, recognizing that a campaign of doubt,  
 22 misinformation and confusion would benefit all of them and would be the key to the industry’s  
 23 survival.

24       **F.       JUUL Intentionally Misrepresents and Grossly Understates the Amount of Nicotine**  
 25       **in each JUULpod.**

1       84. From JUUL's pre-release announcements to this day, that provided marketing  
 2 services to JUUL, has continuously falsely represented that each pod contains only as much  
 3 nicotine as a pack of cigarettes. JUUL repeats these claims widely in advertisements, press  
 4 releases, on its packaging, and on its web site. For example, some JUUL advertisements and  
 5 JUUL's website currently provides that each "JUULpod is designed to contain approximately  
 6 0.7mL with 5% nicotine by weight at time of manufacture which is approximately equivalent to 1  
 7 pack of cigarettes or 200 puffs." This statement is false and seriously misleading because, as JUUL  
 8 knows, it is not just the amount of nicotine, but the efficiency with which the product delivers  
 9 nicotine into the bloodstream, that determines the product's narcotic effect, risk of addiction, and  
 10 other health risks.

11       85. Defendant knows that benzoic acid affects pH and "absorption of nicotine across  
 12 biological membranes."

13       86. Assuming a concentration of 59 mg/mL, JUUL's reported nicotine content  
 14 corresponds to about 40 mg of nicotine per 0.7 mL JUULpod. If, as JUUL claims, this is equivalent  
 15 to one pack of cigarette (or 20 cigarettes), that implies 2 mg of nicotine per cigarette.

16       87. JUUL's equivalency claim further assumes 10 puffs per cigarette (i.e., 200 puff per  
 17 pack), or 0.2 mg (200  $\mu$ g) of nicotine per puff.

18       88. Typically, a cigarette that delivers around one milligram of nicotine in smoke  
 19 retains "about 14-20 milligrams of nicotine in the unsmoked rod," *USA v. Philip Morris*, p. 567,  
 20 for an overall delivery of 5-7% of the cigarette's actual nicotine content. A study by the Center  
 21 for Disease Control found that in "commercial cigarette brands, nicotine concentrations ranged  
 22 from 16.2 to 26.3 mg nicotine/g tobacco (mean 19.2 mg/g; median 19.4 mg/g)." Assuming an  
 23 average of 19 milligrams of nicotine per cigarette, an average pack of cigarettes contains 380  
 24 milligrams of nicotine, or six times as much nicotine as the 62 milligrams reported for each  
 25 JUULpod. Yet the average pack would be expected to deliver only 5-7% (19-27 mg) of its nicotine

1 content to the user. In line with this expectation, a study of thousands of smokers  
2 intaking between 1.07 to 1.39 milligrams per cigarette (21.4-27.8 mg per pack). This is less than  
3 half of the amount of nicotine contained in a JUULpod (i.e., 2 mg per “cigarette” based on JUUL’s  
4 stated concentration, or 200 µg per puff assuming 100% delivery). Even with the slightly lower  
5 efficiency of delivery demonstrated in studies like Reilly (about 82%, for averages of 164 µg per  
6 puff), this amounts to a substantially higher amount of nicotine that a human will absorb from a  
7 JUULpod than from smoking a pack of cigarettes.

8 89. JUUL’s statement in its advertisements that each JUULpod contains about as much  
9 nicotine as a pack of cigarettes is therefore literally false and likely to mislead, because the amount  
10 of nicotine contained in the JUULpod is perhaps six times less than in a pack of cigarettes, but the  
11 actual amount of nicotine consumed via JUULpod is as much as twice as high as that via cigarettes.  
12 This fact is never mentioned by JUUL.

13 90. Further, while a pack of cigarettes contains 20 cigarettes which each have to be  
14 separately lit, the JUUL can be inhaled continuously, and often can be used indoors without  
15 detection by others, a feature that JUUL promoted heavily in its advertisements, eliminating the  
16 need for smoking breaks. Thus, the device design leads users to intake far more nicotine than  
17 would occur with cigarettes.

18 91. Finally, the JUUL device does not have a manual or automatic “off” switch. On  
19 information and belief, neither the JUULpod nor the programming of the JUUL device’s  
20 temperature or puff duration settings limit the amount of nicotine JUUL delivers each puff to the  
21 upper bound of a cigarette. Thus, in contrast to a traditional cigarette, which self-extinguishes as  
22 each cigarette is consumed, the JUUL allows non-stop nicotine consumption, which is limited  
23 only by the device’s battery. As a result, the JUUL is able to facilitate consumption of  
24 extraordinarily high levels of nicotine that a cigarette cannot match. This makes it easier for the  
25 user to become addicted to nicotine and poses additional health risks.

1       92.    Contrary to Defendant's representations, the above data indicate that each  
 2 JUULpod delivers significantly more nicotine than a pack of cigarettes, both per pack and per  
 3 puff. JUUL's products thus have the foreseeable effect of luring youth, who react positively to a  
 4 strong nicotine "kick," and exacerbating nicotine addiction and adverse health effects associated  
 5 with nicotine consumption.

6       93.    Thus, JUUL is more harmful when compared to cigarettes, in that the  
 7 extraordinarily high levels of nicotine can cause heightened blood pressure and stroke, and the  
 8 repetitive exposure to the toxins and chemical in JUUL can also cause vascular damage and stroke.

9       **G.      Defendants Never Warned Jennifer Williams that JUUL's Products Were Unsafe,  
 10 Addictive, and Dangerous.**

11      94.    At no time before Williams became severely addicted, did JUUL provide any  
 12 warnings about the risks of addiction, stroke, or other brain damage.

13      95.    At no time before Williams became severely addicted did JUUL or any other  
 14 Defendants warn Jennifer Williams that JUUL products were unsafe for her, nor instruct her on  
 15 how much JUUL would be safe to consume.

16      96.    Despite making numerous revisions to its packaging since 2015, JUUL did not add  
 17 nicotine warnings until forced to do so in August of 2018, far too late for Plaintiff. The original  
 18 JUUL product labels had a California Proposition 65 warning indicating that the product contains  
 19 a substance known to cause cancer, and a warning to keep JUULpods away from children and  
 20 pets, but contained no warnings specifically about the known effects, or possible long-term effects,  
 21 of nicotine or vaping/inhaling nicotine salts. Many of JUUL's advertisements, particularly before  
 22 November 2017, also lacked a nicotine warning.

23      97.    Furthermore, JUUL misrepresents the nicotine content of JUULpods by  
 24 representing it as 5% strength. As discussed above, JUULpods contain more than 5% nicotine by  
 25 volume, and deliver it in a form that is particularly potent.

1       98. Instead, JUUL marketed its JUUL products as an “alternative to cigarettes,”  
 2 thereby giving the false impression that they are not harmful like traditional cigarettes and safe to  
 3 use.

4       99. Plaintiff did not and could have known the risks associated with JUUL, because  
 5 Defendant had exclusive knowledge about its product, including its design, and concealed that  
 6 information from her.

7       100. Instead, as a result of JUUL’s wildly successful marketing campaign, based on  
 8 tactics developed by the cigarette industry and amplified in social media, Williams reasonably  
 9 believed that JUUL was safe, harmless, fun, and cool—a thing to do with friends.

10      101. A 2017 study by the Truth Initiative Schroeder Institute® found that 6 percent of  
 11 youth and 10 percent of young adults have used a JUUL e-cigarette in the last 30 days. The study  
 12 also found that while many young people are aware of JUUL, many are unaware that the product  
 13 always contains the addictive chemical nicotine.

- 14       a. Twenty-five percent of survey respondents aged 15 to 24 recognized a JUUL e-  
 15           cigarette device when shown a photo of the product.
- 16       b. Among those who recognized JUUL, 25 percent reported that use of this product is  
 17           called “JUULing,” indicating that this product is so distinctive, it is perceived as its  
 18           own category.
- 19       c. Sixty-three percent of JUUL users did not know that this product always contains  
 20           nicotine.

21      **H. JUUL’s Conduct Harmed Jennifer Williams**

22      244. Jennifer Williams began using JUUL e-cigarettes when she was exposed to  
 23 advertising and promotions for JUUL via social media and other, more traditional media outlets.  
 24 These ads, promotions, and other sources made JUUL e-cigarettes seem like a harmless and safer  
 25 alternative to smoking cigarettes.

1 245. Plaintiff first tried JUUL e-cigarettes in 2019.

2 246. Plaintiff started using JUUL e-cigarettes as a healthier, safer alternative to smoking  
3 traditional cigarettes.

4 247. Plaintiff was not aware of how much nicotine JUUL contained or that it carried any  
5 health risks.

6 248. Plaintiff relied to her detriment on JUUL's representations that the product was safe,  
7 not harmful, and fun.

8 249. JUUL never warned Plaintiff that JUUL was addictive, dangerous, could cause her  
9 to suffer a cardiovascular injuries, or would permanently alter her brain.

10 250. Had Plaintiff known that JUUL was overly addictive, carried health risks, and  
11 would cause the problems it has in her health and personal life, she never would have tried it.

12 251. JUUL never disclosed that it had manipulated the nicotine in JUUL to deliver  
13 massive doses of nicotine that could addict her almost immediately, an addiction that she will now  
14 fight for the rest of her life.

15 252. JUUL never instructed Plaintiff that the product was unsafe for her, nor how much  
16 JUUL was safe to consume.

17 253. Had Plaintiff known that JUUL was not safe, was addictive, dangerous, could cause  
18 cardiovascular issues, could permanently alter her brain and impair her mood and mind, that JUUL  
19 had manipulated nicotine to maximize addiction, or that each JUULpod delivered substantially  
20 more nicotine than a pack of cigarettes, she would not have used or continued to use JUUL.

22 254. As a direct and proximate result of JUUL's conduct, Plaintiff suffered severe  
23 injuries, including but not limited to nicotine addiction, seizures, and other breathing issues.  
24 Plaintiff's nicotine addiction puts her at serious risk for life-long health problems including, but  
25 not limited to, increased risk of heart disease and stroke, changes in brain functionality that lead

to increased susceptibility to anxiety, depression and other addictions, decreased functionality of the endocrine system, heightened risk of cancer, and negative effects on fertility. Health risks aside, Williams also faces a lifetime of economic losses needed to sustain a nicotine addiction for the remainder of her life.

255. As a result of her injuries caused by JUUL, Plaintiff has incurred and will incur significant medical and other expenses to sustain and/or fight her nicotine addiction for the rest of her life, pain and suffering, and emotional distress.

## **V. CAUSES OF ACTION**

**FIRST CAUSE OF ACTION  
Products Liability—Defective Design**

257. Plaintiff incorporates the above and below allegations by reference.

258. At all relevant times, JUUL Labs designed, engineered, developed, manufactured, fabricated, assembled, equipped, tested or failed to test, inspected or failed to inspect, labeled, advertised, promoted, marketed, supplied, distributed, wholesaled and/or sold the JUUL Devices and Pods (“JUUL Products”) that Plaintiff consumed and which were intended by Defendants to be used as a method of ingesting nicotine and the other aerosolized constituents of JUUL’s nicotine solution.

259. JUUL Products were defective in design in that they did not perform as safely as an ordinary consumer would have expected them to perform when used in an intended or reasonably foreseeable way.

260. Defendants had constructive notice or knowledge and knew, or in the exercise of reasonable care should have known, that its JUUL Products under ordinary use were harmful or injurious, particularly to nonsmokers, youths and adolescents, including the Plaintiff. Defendants

1 knew or, should have known the risks inherent in minors ingesting nicotine, particularly severe  
2 lifelong nicotine addiction and decreased brain development. These are serious injuries in that they  
3 affect not only the short-term quality, but the remainder of the young person's life.

4 261. The JUUL Defendants claim they designed JUUL for use by adult smokers.  
5 However, Defendants designed and marketed their products to appeal to nonsmokers, youths and  
6 adolescents and to encourage them to buy and use the product. Defendants defectively designed  
7 JUUL in a number of ways.

8 262. JUUL products are inherently defective because they contain and deliver  
9 significantly more nicotine than JUUL represents and significantly more nicotine than traditional  
10 cigarettes. Moreover, JUUL is unreasonably dangerous and therefore defective in design because it  
11 is made to create and sustain addiction. JUUL designed the product to contain more nicotine than  
12 necessary to satisfy a cigarette smoker's nicotine craving with the intention of creating addiction.  
13 JUUL's nicotine salts enhance the risk and severity of addiction; it supplies nicotine at high levels  
14 without any of the intake harshness associated with other nicotine products. Furthermore, JUUL is  
15 defectively designed in that it uses flavors that appeal to minors and enhances minors' ability to  
16 intake dangerous amounts of nicotine. The risks inherent in the design of JUUL outweigh  
17 significantly any benefits of such design.

18 263. In addition, JUUL products are inherently defective in that it is created to be easy  
19 to hide, a design that is enticing to minors. Lifelong smokers are accustomed to the open, notorious  
20 and inconvenient act of smoking cigarettes – the smell and taste of cigarettes as well as the need to  
21 step outside and smoke. These are traditional properties of smoking a cigarette that smokers actually  
22 often appreciate and enjoy. A smoke break has been valued for year by smokers. A device that is  
23 easy to hide, tastes good, and does not smell is not necessary to draw in lifelong smokers as  
24 customers, but it is entirely necessary to draw in first time smokers and minors. The physical  
25 appearance of JUUL makes it easy for minors to hide it at school or at home by concealing it in their

1 clothing, backpacks, markers, or even their hand, or by passing it off as a USB or another device, a  
 2 feature that would not be necessary or appealing to a lifelong smoker. However, the design is most  
 3 certainly convenient to a minor. It also is designed in such a way as to look completely harmless.  
 4 Resembling a USB drive that tastes good in this technology driven age, the JUUL device is duly  
 5 attractive to nonsmokers of every age.

6 264. The benefits of JUUL products' design are not outweighed by their risks,  
 7 considering the gravity of the potential harm resulting from the use of the products, the likelihood  
 8 that harm would occur, the feasibility and cost of an alternative safer design at the time of  
 9 manufacture, and the disadvantages of an alternative design.

10 265. At all times relevant, Defendants could have employed reasonably feasible  
 11 alternative designs to prevent the harms discussed in the complaint. Defendants could have created  
 12 the product to not specifically appeal to minors and could have created the product to appeal more  
 13 to current adult smokers. Defendants also could have significantly lowered the nicotine content  
 14 while still satisfying an adult smoker's nicotine cravings, maintaining the same need JUUL products  
 15 so claim to meet. Defendants could have designed this product to not contain flavors that appeal to  
 16 minors and make it easier to intake dangerous levels of nicotine.

17 266. At all times relevant, Plaintiff was unaware of the design defects described in the  
 18 Complaint. Further, Defendants knew or had reason to know that youths and adolescents would not  
 19 fully realize the dangerous and addictive nature of the JUUL products and the long-term  
 20 complications nicotine addiction can present, or that, due to their youth, inexperience and/or  
 21 immaturity of judgment, would recklessly disregard such risks.

22 267. As a result of JUUL's conduct, Plaintiff was harmed directly and proximately by  
 23 Defendants' defectively designed JUUL e-cigarette as described herein. Such harm includes  
 24 significant exposure to toxic substances, which may cause or contribute to causing disease; severe  
 25 nicotine addiction, a permanent injury that Williams will now struggle with for the rest of her life;

1 Williams' exposure to such a high content of nicotine has also affected her brain, an injury that  
2 cannot be undone; and economic harm in that she would not have purchased JUUL or would have  
3 paid less for it if she had known the true facts and that she has paid a premium as a result of  
4 Defendants' defective products.

5 **SECOND CAUSE OF ACTION**  
6 **Products Liability—Manufacturing Defect**

7 268. Plaintiff incorporates the above and below allegations by reference.

8 269. According to JUUL's labels, JUULpods are supposed to contain 60 mg/mL of  
9 nicotine.

10 270. According to JUUL's '895 patent, JUULpods are intended to contain 4% benzoic  
11 acid by weight.

12 271. The JUULpods manufactured by Defendants contained more than 60 mg/mL  
13 nicotine.

14 272. The JUULpods manufactured by Defendants contained more than 4% benzoic acid.

15 273. As a result of these manufacturing defects, the already extreme risk of addiction  
16 posed by JUUL e-cigarettes was heightened to an extent that increased the already extreme  
17 addiction risks the JUUL e-cigarettes posed.

20 **THIRD CAUSE OF ACTION**  
21 **Products Liability—Product Defect as the Result of Inadequate Warning**

22 274. Plaintiff incorporates the above and below allegations by reference.

23 275. At all times relevant, Defendants manufactured, marketed, distributed, and/or sold  
24 the JUUL Products that Plaintiff consumed.

25 276. At all times relevant, Defendants were well-aware that JUUL is a dangerous product

1 that contains highly addictive levels of nicotine and subjects users to severe nicotine addiction and  
 2 other serious medical conditions, as described in this Complaint. Further, the JUUL products that  
 3 plaintiff consumed had other potential risks that were known or were knowable in light of the  
 4 scientific and medical knowledge that was generally accepted in the scientific community well  
 5 before and at the time of manufacture, market, distribution, and sale. Despite having that  
 6 knowledge, Defendants failed to adequately warn the minor Plaintiff of the dangerous, addictive  
 7 nature of JUUL as well as the multitude of health risks it posed.

8       277. The potential risks presented a substantial danger when the JUUL Products were  
 9 used or misused in an intended or reasonably foreseeable way.

10       278. At all times relevant, Plaintiff would not have recognized the risks of using a JUUL  
 11 device with a JUUL pod because Defendant JUUL has intentionally downplayed, misrepresented,  
 12 concealed, and failed to warn of the heightened risks of nicotine exposure and addiction. Since the  
 13 Altria Defendants partnered with JUUL, they too have since intentionally downplayed,  
 14 misrepresented, concealed and failed to warn of the heightened risks of nicotine exposure and  
 15 addiction.

16       279. Further, the ordinary consumer of JUUL Products would not have recognized the  
 17 potential for risks for the same reasons.

18       280. JUUL Products were defective and unreasonably dangerous when they left  
 19 Defendants' possession because they did not contain adequate warnings, including warnings that  
 20 the products are not safe for anyone under 26 years old, may cause strokes, heart attacks and other  
 21 cardiovascular injuries, are powerfully addictive, may cause permanent brain changes and mood  
 22 disorders, may impair learning and cognition. Additionally, the products lacked sufficient  
 23 instructions, including that the product should not be used concurrently with cigarettes, and  
 24 instructions regarding how many pods are safe to consume in a day.

25       281. Instead, as described herein, Defendants marketed their products to young people

1 and made them available in youth-friendly colors and flavors. Defendants also designed their  
 2 products to be more palatable to youth and nonsmokers by increasing JUUL's inhale-ability,  
 3 incorporating appealing flavors, and increasing the level of nicotine that is absorbed by users,  
 4 making them even more addictive and dangerous.

5 282. Defendants had constructive notice or knowledge and knew, or in the exercise of  
 6 reasonable care should have known, that its Products were dangerous, had risks, and were defective  
 7 without adequate warnings or instructions, including because delivering high doses of nicotine to a  
 8 young person could cause severe addiction to nicotine, permanently alter the structure of the brain  
 9 and resulting in irreversible, life-altering injuries.

10 283. In all forms of advertising as well as social media communications, Defendants  
 11 failed to adequately warn or instruct foreseeable users, including youth and adolescent users, that  
 12 JUUL products were unreasonably dangerous to them and created a high level of risk of harms  
 13 caused by nicotine exposure and addiction as explained herein. Defendants failed to adequately  
 14 warn in their advertising, social media communications, or anywhere on the product label that the  
 15 product was not for sale for minors and should not be used or consumed by them. Instead, as  
 16 described herein, Defendants marketed their products to minors and made them available in youth-  
 17 friendly colors and flavors. Defendants also designed their products to be more palatable to youth  
 18 and nonsmokers by increasing JUUL's inhale-ability and increased the level of nicotine that is  
 19 absorbed by users, making them even more addictive.

20 284. The defects in JUUL Products, including the lack of warnings, existed at the time  
 21 the JUUL pods and devices were sold and/or when the JUUL pods and devices left JUUL's  
 22 possession or control.

23 285. As a result of Defendants' failures to adequately warn and/or instruct, Plaintiff was  
 24 harmed directly and proximately as described herein. Such harm includes significant exposure to  
 25 toxic substances, which may cause or contribute to causing disease; severe nicotine addiction, a

1 permanent injury that Williams will now struggle with for the rest of her life; Williams' exposure  
2 to such a high content of nicotine has also affected her brain, an injury that cannot be undone; and  
3 economic harm in that she would not have purchased JUUL or would have paid less for it if she has  
4 known the true facts and that she had paid a premium as a result of Defendants' failure to warn.

5 286. The inadequate warning was a substantial factor in Williams becoming addicted to  
6 nicotine and being at risk for the severe health problems discussed herein.

7 287. Based on Defendants' misconduct, Williams demands compensatory and punitive  
8 damages as set forth below.

9 **FORTH CAUSE OF ACTION**  
10 **Negligent and/or Grossly Negligent**  
11 **Design and Marketing**

12 288. Plaintiff incorporates the above and below allegations by reference.

13 289. Defendants had a duty and owed a duty to Plaintiff to exercise a degree of  
14 reasonable care including, but not limited to: ensuring that JUUL marketing does not target minor;  
15 ensuring that JUUL devices and JUULpods are not sold and/or distributed to minors and are not  
16 designed in a manner that makes them unduly attractive; designing a product that is not defective  
17 and unreasonably dangerous; designing a product that will not addict youth or other users to  
18 nicotine; adequately warning of any reasonably foreseeable adverse events with respect to using  
19 the product. Defendants designed, produced, manufactured, assembled, packaged, labeled,  
20 advertised, promoted, marketed, sold, supplied and/or otherwise placed JUUL Products into the  
21 stream of commerce, and therefore owed a duty of reasonable care to avoid causing harm to those  
22 consumed it, such as Plaintiff.

23 290. Defendants breached that duty they owed to Plaintiffs by, among other things as  
24 alleged above, misrepresenting the pharmacokinetics of JUUL e-cigarettes, the nicotine content of  
25 JUUL pods, the comparative nicotine content of JUUL pods and competing products, and the role  
26 of benzoic acid in JUUL pods

291. Defendants unreasonably failed to provide appropriate and adequate warnings and instructions about its products, and this failure was a proximate cause of the harm for which damages are sought.

292. Defendants were negligent in designing, manufacturing, supplying, distributing, inspecting, testing (or not testing), marketing, promoting, advertising, packaging, and/or labeling JUUL's Products.

293. As a powerfully addictive and dangerous nicotine-delivery device, Defendants knew or should have known that JUUL Products needed to be researched, tested, designed, advertised, marketed, promoted, produced, packaged, labeled, manufactured, inspected, sold, supplied and distributed properly, without defects and with due care to avoid needlessly causing harm. Defendants knew or should have known that its JUUL Products could cause serious risk of harm, particularly to persons like Plaintiff.

294. In addition, at the time the JUUL products left its control, Defendants knew, or in the exercise of reasonable care should have known, the products posed a substantial risk of harm to the life and health of its customers.

295. Defendants were negligent, reckless and careless and failed to take the care and duty owed to Plaintiff, thereby causing Plaintiff to suffer harm.

296. The negligence and extreme carelessness of Defendants includes, but is not limited to, the following:

- a. Failure to perform adequate testing of the JUUL Products prior to marketing to ensure safety, including long-term testing of the product, and testing for injury to the brain and cardiovascular systems, and other related medical conditions;
- b. Failure to take reasonable care in the design of JUUL's Products;
- c. Failure to use reasonable care in the production of JUUL's Products;
- d. Failure to use reasonable care in the manufacture of JUUL's Products;
- e. Failure to use reasonable care in the assembly of JUUL's Products;

- 1 f. Failure to use reasonable care in supplying JUUL's Products;
- 2 g. Failure to use reasonable care in distributing JUUL's Products;
- 3 h. Failure to use reasonable care in advertising, promoting, and marketing JUUL's  
4 Products;
- 5 i. Use of design that maximizes nicotine delivery while minimizing "harshness",  
thereby easily creating and sustaining addiction;
- 6 j. Failure to develop tools or support to help people addicted to JUUL cease using  
7 the product, including manufacturing lesser amounts of nicotine;
- 8 k. Failure to reasonably and properly test and properly analyze the testing of JUUL's  
9 Products under reasonably foreseeable circumstances;
- 10 l. Failure to warn its customers about the dangers associated with use of JUUL's  
11 Products, in that it significantly increases blood pressure, carries risks of stroke,  
heart attacks, and cardiovascular events, is powerfully addictive, can cause  
permanent brain changes, mood disorders, and impairment of thinking and  
cognition.
- 12 m. Failure to warn customers that JUUL had not adequately tested or researched  
13 JUUL Products prior to marketing to ensure safety, including long-term testing of  
14 the product, and testing for injury to the brain and cardiovascular systems, and other  
15 related medical conditions;
- 16 n. Failure to utilize proper materials and components in the design of JUUL's  
17 Products to ensure they would not deliver unsafe doses of nicotine;
- 18 o. Failure to use due care under the circumstances;
- 19 p. Failure to take necessary steps to modify JUUL's Products to avoid delivering  
20 high doses of nicotine to young people and repeatedly exposing them to toxic  
chemicals;
- 21 q. Failure to recall JUUL's Products; and
- 22 r. Failure to inspect JUUL's Products for them to operate properly and avoid  
23 delivering unsafe levels of nicotine.

24 297. Defendants breached the duties they owed to Plaintiff and in doing so, were wholly  
unreasonable. A responsible company, whose primary purpose is to help adult smokers, would not  
25 design a product to appeal to minors and nonsmokers nor market their products to minors and

1 nonsmokers. If they are aware of the dangers of smoking and nicotine ingestion enough to create a  
2 device to help people stop smoking, then they are aware of the dangers enough to know that it would  
3 be harmful for young people and nonsmokers to use.

4 298. But for Defendants' duties and breaches thereof, Plaintiff would not have been  
5 harmed as alleged in the Complaint.

6 299. Defendants' negligence and/or gross negligence directly and proximately caused  
7 Plaintiff's damages and injuries, and therefore Plaintiff is entitled to damages and other legal and  
8 equitable relief as a result.

9 **FIFTH CAUSE OF ACTION**

10 **Fraud**

11 309. Plaintiff incorporates by reference paragraphs above as if fully set forth herein.

12 310. At all times relevant, Defendants fraudulently and deceptively sold or partnered to  
13 sell products to Plaintiff as non-addictive nicotine delivery systems, or less addictive nicotine  
14 products than cigarettes, when Defendant knew it to be untrue.

15 311. Defendants had a duty to disclose material facts about JUUL to Plaintiff, as:

16 a. Defendants disclosed some facts to Plaintiff about the nature and safety of its  
17 products but intentionally failed to disclose other facts, making the disclosures it did  
make misleading or deceptive; and

18 b. Defendants intentionally failed to disclose certain facts about the nature and safety  
19 of JUUL products that were known only to Defendants and that Defendants knew  
Plaintiff could not have known or reasonably discovered.

20  
21 312. At all times relevant, Defendants fraudulently and deceptively sold or partnered to  
22 sell JUUL products to Plaintiff as safe or not harmful, when Defendants knew it to be untrue.

23 313. Defendants fraudulently and deceptively downplayed or minimized any risk  
24 associated with e-cigarettes generally and JUUL. At all relevant times, Defendant JUUL  
25 represented its products on its website as a "smarter" choice. Defendant JUUL pitched investors by

1 claiming that the product was not harmful, and therefore any concern about addiction was  
 2 irrelevant. Defendants and/or others worked together to pitch news stories or other media content  
 3 designed to downplay the risks of e-cigarettes, suggesting that any concern was overblown, or a  
 4 panic. These tactics mimic those used by the tobacco industry to sow seeds of doubt and confusion  
 5 among the public, to initiate new users, to keep customers buying JUUL products, and to avoid  
 6 regulation or legislative efforts to control sales.

7 314. Defendants fraudulently and deceptively failed to disclose to Plaintiff that the  
 8 JUUL creates an insatiable nicotine addiction, significantly increases blood pressure, can cause  
 9 mood disorders, induce seizures and other adverse health effects.

10 315. Defendants fraudulently and deceptively failed to disclose that they had not  
 11 adequately researched or tested JUUL to assess its safety before placing it on the market.

12 316. Defendants also fraudulently and deceptively failed to disclose to Plaintiff that the  
 13 JUUL nicotine salts purchased were highly addictive in nature, making it extremely difficult for  
 14 one to cease purchasing JUULpod refills.

15 317. Defendants further failed to disclose to Plaintiff that JUUL is designed to create and  
 16 sustain an addiction to nicotine. Defendants also manipulated the formulations of JUUL devices  
 17 and JUULpods in ways that could and would impact their potency and addictiveness, and  
 18 Defendants did so without notifying Plaintiff. Defendants actively concealed the nicotine content  
 19 and nicotine potency of JUUL e-cigarettes.

20 318. Defendants fraudulently misrepresented to users the amount of nicotine consumed  
 21 by using JUUL. As previously explained, Defendant JUUL claims that one JUULPod is  
 22 “approximately equivalent to about 1 pack of cigarettes,” but that is false and misleading. The  
 23 amount of nicotine consumed from one JUULPod is actually equivalent to the amount of nicotine  
 24 consumed through at least two packs of traditional cigarettes.

25 319. Each of these misrepresentations and omissions were material at the time they were  
 26

1 made. In particular, each of the misrepresentations and omissions concerned material facts that were  
2 essential to the analysis undertaken by Plaintiff as to whether to purchase or consume a JUUL E-  
3 cigarette and/or JUULpods.

4 320. Plaintiff did not know of the facts that Defendants concealed.

5 321. Defendants intended to deceive Plaintiff and the public by concealing these facts.  
6 Defendants had a duty to accurately provide this information to Plaintiff. In not so informing  
7 Plaintiff, Defendants breached their duty. Defendants also gained financially from, and as a result  
8 of their breach.

9 322. Defendants had ample opportunities to disclose these facts to Plaintiff, through  
10 packaging, advertising, retail outlets, and on social media. Defendants concealed material  
11 information at all relevant times to this Complaint. Defendants have yet to disclose the truth about  
12 JUUL products.

13 323. Plaintiff relied to her detriment on Defendants' fraudulent omissions. Had Plaintiff  
14 been adequately informed of the material facts concealed from her regarding the safety of JUUL,  
15 and not intentionally deceived by Defendants, she would not have purchased or used JUUL  
16 products.

17 324. Plaintiff was harmed directly and proximately by Defendants' fraud. Such harm  
18 includes significant exposure to toxic substances, which may cause or contribute to causing disease;  
19 severe nicotine addiction, a permanent injury that Williams will now struggle with for the rest of  
20 her life; Williams' exposure to such a high content of nicotine has also affected her brain, an injury  
21 that cannot be undone; and economic harm in that she would not have purchased JUUL or would  
22 have paid less for it if she had known the true facts and that she had paid a high premium as a result  
23 of Defendants' fraud.

24 325. Defendants' acts and omissions as described herein were committed maliciously,  
25 oppressively, deliberately, with intent to defraud, and in reckless disregard of Plaintiff's rights,

1 interests, and well-being to enrich Defendants. Defendants' conduct was designed to maximize  
 2 Defendants' profits even though Defendant knew that it would cause loss and harm to Plaintiff.

3 **SIXTH CAUSE OF ACTION**  
 4 **Conspiracy to Commit Fraud**

5 326. Plaintiff incorporates by reference paragraphs above as if fully set forth herein

6 327. During all relevant times, including before Plaintiff consumed JUUL, Defendant  
 7 JUUL was part of a conspiracy with tobacco and e-cigarette industry players, Altria Group, PAX  
 8 Labs, Inc. to fraudulently conceal, misrepresent, and downplay the risks of e-cigarettes to boost  
 9 profits at the expense of public health. Defendants, for research and development, marketing, and  
 10 distribution purposes, engaged consultants, pundits, academics, lobbyists, media personalities,  
 11 reporters, researchers and other influencers to tout the safety of e-cigarettes, and benefits of  
 12 nicotine, while minimizing or downplaying the dangers, playing on the vulnerabilities of people.  
 13 These tactics mimic those used by the tobacco industry to sow seeds of doubt and confusion among  
 14 the public, to initiate new users, to keep customers buying JUUL products, and to avoid regulation  
 15 or legislative efforts to control sales.

16 328. JUUL was aware that others in the e-cigarette and tobacco industry, Defendant  
 17 Altria Group, and PAX planned to engage in a campaign of doubt to mislead, downplay, and deflect  
 18 concerns about the risks of e-cigarettes and nicotine, and to fraudulently conceal material  
 19 information about the safety of these products and compounds.

20 329. JUUL agreed with others in the e-cigarette and tobacco industry, Defendants Altria  
 21 Group and PAX and intended that the conspiracy to commit fraudulent concealment be committed.

22 330. Defendants well-understood and continues to understand that by working in concert  
 23 with other e-cigarette manufacturers and the tobacco industry, it can more effectively mislead and  
 24 fraudulently conceal material facts from the public, including Plaintiff, regarding risks of its

1 products, as described herein.

2 331. Defendants' participation in this conspiracy was a substantial factor in causing  
3 Plaintiff's harm as alleged herein.

4 332. Defendants' acts and omissions as described herein were committed maliciously,  
5 oppressively, deliberately, with intent to defraud, and in reckless disregard of Plaintiff's rights,  
6 interests, and well-being to enrich Defendants. Defendant's conduct warrants an assessment of  
7 punitive damages in an amount sufficient to deter such conduct in the future, which amount is to be  
8 determined according to proof.

9 **SEVENTH CAUSE OF ACTION**  
10 **Intentional Misrepresentation**

11 333. Plaintiff incorporates by reference paragraphs above as if fully set forth herein.

12 334. At all times relevant, Defendants represented to Plaintiff via the media, advertising,  
13 website, social media, packaging, and promotions that:

14 a. JUUL products were safe or not harmful; and  
15 b. That one JUULPod is "approximately equivalent to about 1 pack of cigarettes

16 335. These representations were false. JUUL products are unsafe and the amount of  
17 nicotine consumed from one JUULPod is actually equivalent to the amount of nicotine consumed  
18 through at least two packs of traditional cigarettes.

19 336. Defendants knew these representations were false, or made them recklessly without  
20 regard for their truth. For example, JUUL claims that it did not study the safety of its products,  
21 acknowledging that it had a vested interest, and instead left it to others to analyze their risks.

22 337. Defendants intended for Plaintiff to rely on these representations.

23 338. Each of these misrepresentations were material at the time they were made. In  
24 particular, each of the misrepresentations concerned material facts that were essential to the  
25 analysis undertaken by Plaintiff as to whether to purchase or consume JUUL ENDS or Pods.

339. Defendants have yet to disclose correct these misrepresentations about JUUL products.

340. Plaintiff reasonably relied on these representations and was harmed as described herein. Plaintiff's reliance on Defendants' representation was a substantial factor in causing her harms, including becoming powerfully addicted to JUUL. Had Defendants told Plaintiff the truth about the safety and composition of JUUL's products, she would not have purchased them.

341. Defendants' intentional misrepresentation was a substantial factor in Plaintiff's harm as described herein, including that she became severely addicted to the nicotine and incurred permanent brain changes, resulting in irreversible, life-altering injuries. She also suffered economic harm in that she would not have purchased JUUL or would have paid less for it if she had known the true facts and that she has paid a high premium as a result of Defendants' fraud.

342. Defendants' acts and omissions as described herein were committed maliciously, oppressively, deliberately, with intent to defraud, and in reckless disregard of Plaintiff's rights, interests, and well-being to enrich Defendants. Defendants' conduct warrants an assessment of punitive damages in an amount sufficient to deter such conduct in the future, which amount is to be determined according to proof.

## **EIGHTH CAUSE OF ACTION Unjust Enrichment**

343. Plaintiff incorporates by reference paragraphs above as if fully set forth herein.

344. As described in this Complaint, Defendants knowingly sold or partnered to sell JUUL products to Plaintiff in a manner that was unfair, unreasonable, unconscionable, and oppressive.

345. As a result of Defendants' intentional, unlawful, and deceptive actions described above, Defendants were enriched at the expense of Plaintiff.

346. Under the circumstances, it would be against equity and good conscience to permit

1 Defendants to retain the ill-gotten benefits received from Plaintiff. Thus, it would be unjust and  
2 inequitable for Defendants to retain the benefit without restitution to Plaintiff for the monies paid  
3 to Defendants for its defective JUUL products.

4 **II. PRAYER FOR RELIEF**

5 WHEREFORE, Plaintiff respectfully requests that the Court:

6 347. Award Plaintiff compensatory, restitutionary, rescissory, general, consequential,  
7 punitive and exemplary damages in an amount to be determined at trial, and also including, but  
8 not limited to:

9 a. General Damages;  
10 b. Special Damages, including all expenses, including incidental past and future  
11 expenses, including medical expenses, and loss of earnings and earning capacity;

12 348. Award prejudgment interest as permitted by law;

13 349. Enter an appropriate injunction against Defendants and their officers, agents,  
14 successors, employees, representatives, and assigns;

15 350. Appoint a monitor and retain jurisdiction to ensure that Defendants comply with  
16 the injunctive provisions of any decree of this Court;

17 351. Enter other appropriate equitable relief;

18 332. Award reasonable attorneys' fees and costs, as provided for by law; and

19 333. Grant such other and further relief as the Court deems just and proper.

21 **III. JURY TRIAL DEMAND**

22 334. Plaintiffs demand trial by jury.

24 Dated: December 19, 2019

/s/ Matthew R. McCarley

MATTHEW R. MCCARLEY (TX SBN:  
24041426)  
mccarley@fnlawfirm.com  
**FEARS NACHAWATI, PLLC**  
5473 Blair Road  
Dallas, Texas 75231  
Telephone: (214) 890-0711  
Facsimile: (214) 890-0712

/s/ Gale D. Pearson

GALE D. PEARSON, Esq. MN NO.:  
244673  
gpearson@fnlawfirm.com  
**FEARS NACHAWATI, PLLC**  
5473 Blair Road  
Dallas, Texas 75231  
Telephone: (214) 890-0711  
Facsimile: (214) 890-0712  
*Attorneys for Plaintiff*